LC/NAIROBI

UNITED NATIONS

ECONOMIC AND SOCIAL COUNCIL

Distr.: GENERAL

E/CN.14/752
24 January 1980

Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA

First meeting of the Technical Preparatory Committee of Experts

Addis Ababa, 3-8 April 1980

ECONOMIC COMMISSION FOR AFRICA

Fifteen session/Sixth meeting of the Conference of Ministers

Addis Ababa, 9-12 April 1980

INSTITUTION BUILDING FOR ECONOMIC AND TECHNICAL CO-OPERATION INCLUDING MEASURES FOR STRENGTHENING EXISTING ONES

The crucial importance of economic co-operation in Africa is well known and needs to be reviewed only briefly in this paper. In a continent where national markets are small and human and material resources are underemployed, the primary objective of establishing economic groupings is to create markets large enough to make it possible to establish viable production capacities in industry and the primary sector, increase the capability of absorption and adaptation of technology, create viable transport networks, pool manpower and financial resources and promote the exploitation of complementarities. To achieve this objective the creation of economic units geared towards regional economic integration and the establishment of multinational institutions to promote development and undertake co-operative efforts jointly and economically in particular fields constitute a sine qua non.

This paper will focus on the performance of African multinational institutions which have been established under the aegis of the ECA secretariat, for the promotion of development, technical co-operation and collective co-operative efforts in various economic and social sectors. The need for the establishment of institutions which can help African countries collectively to develop the capabilities and infrastructure essential for their economic and social development and which individually, they are too poor to set up was recognized soon after the establishment of ECA. Among the first such institutions to be established by ECA are the African Development Bank (ADB), the Association of African Central Banks and the African Institute for Economic Development and Planning (IDEP). ADB, to which all independent African States belong, has after a slow start, developed into a useful tool for development: it has enlarged its sphere of activities and its resources. The Association of African Central Banks, to which also all African central banks belong, has developed steadily and has established important subsidiary organs such as the African Centre for Monetary Studies and the West African Clearing House. Other institutions have, however, been less successful.

The various institutions that have been established, all at the request of African Governments, in fields such as natural resources, science and technology, trade, industry, training and human resources and transport and communications, have all suffered from the ill effects of a lack of political will on the part of African countries. This lack of political will finds expression in various ways, the commonest being that after pressing for the establishment of an institution, many African Governments, even after having approved the legal document setting up the institution concerned, either fail to become members of the institution or if they do, they fail to give it adequate financial and material support. The net result is that the growth of such an institution is stifled, disillusion sets in and the collective self-reliance of African countries is undermined. Member States must realize that the success or failure of the insitutions which have been established at their request for their collective development, lies in their own hands.

The following review of some multinational institutions illustrates the lack of support which they have experienced in terms of both membership and financial and other materail support and which has stunted the development of such institutions.

The continent is supposed to have natural resources in abundance, and their development and exploitation would contribute dramatically to the economic and social transformation of the region. Yet ironically, it is the sector where the history of the development of institutions for collective development has been most dismal.

The Regional Centre for Training in Aerial Surveys at Ile-Ife in Nigeria was established as a result of Commission resolution 164 (VIII) calling on the Executive Secretary to establish training centres in photogrammetry techniques, photointerpretation of aerial photographs and airborne geophysical surveys. The Ile-Ife Centre which is supposed to be composed of West African countries, has had since its establishment in 1972 only four West African member States, namely Benin, Ghana, Nigeria and Senegal. Several attempts, including promotional visits to other West African countries, have not succeeded in increasing the membership of the Centre even by one. This state of affairs has adversely affected the growth and development of a Centre which, if it had had the support even of the majority of West African States, could rapidly have become a Centre that could offer better and more services for the development of natural resources within the context of collective self-reliance. The four States member of the Centre alone have continued to shoulder the financial burden of operating the Centre even though more than 90 students from over 12 African countries have received training at the Centre. These countries include Algeria, Burundi, the Central African Republic, Ghana, Kenya, the Niger, Nigeria, Senegal, Somalia, Uganda, Zaire and Zambia. Even though Nigeria, the host country, continues to bear the brunt of the financial burden willingly, the fact remains that the four States members of the Centre cannot continue to supply satisfactory, improved and expanded services for the benefit of nearly eight other African countries which do not contribute at all towards the operation of the Centre. Because of this, the development of the Centre has been slow, it has not had sufficient funds to undertake any curriculum or physical development. For the year 1977/78, the budget for the Centre was $US353,620. For the year 1978/79, was $US409,014, a very modest increase, and for the year 1979/80, the budget is only $US497,473. Had the African countries which enjoy its facilities made some financial contribution towards its development, the Centre could have made great studes, and the morale of the four over-burdened members States would have been better.

The sister Centre for Services in Surveying and Mapping in Nairobi, Kenya, which was also established under the Commission resolution 164 (VIII), has, as if by design, suffered the same fate as the Ile-Ife Centre. Of the 17 East African countries which are supposed to constitute its membership only five countries namely, Kenya, Uganda, the United Republic of Tanzania, Somalia and Malawi are members of the Nairobi Centre and Malawi has even expressed its intention of leaving the Nairobi Centre by the end of January 1980. In spite of several

promotional missions, the membership of the Nairobi Centre has not increased by even one since its establishment in 1975, indeed, its already meagre membership is to be decreased. The deleterious effect of all this on the development and expansion of the Nairobi Centre is obvious. Yet only two of its five member States namely, Kenya and the United Republic of Tanzania, are supporting the Centre financially. Here again, the host country, Kenya, like Nigeria in respect of the Centre for Training in Aerial Surveys, is bearing a substantial part of the financial burden of the Centre. Apart from providing land for the permanent headquarters and a sum of money towards the building of that headquarters, Kenya alone has until very recently paid its share of the recurrent budget of the Centre. The United Republic of Tanzania is soon to make back payments of its contributions. The Centre has thus been unable to implement even the modest projects approved by its Governing Council for the years 1978/79 and 1979/80. The budget for 1978/79 was $US884,557 but for the year 1979/80 it dropped to $US381,959. The Centre cannot develop and achieve its objectives if only two of its member States are to sustain it. Indeed, all the States members of the Eastern African subregion should join the Centre as soon as possible so as to enable it to fulfil the important objectives which African Governments intended it to serve.

The East African Mineral Resources Development Centre was brought into being in 1977 when the required fourth signatory State, the Comoros, signed the Agreement establishing the Centre; the other three member States are Ethiopia, Mozambique and the United Republic of Tanzania. This Centre, which is to assist member States in various ways in the development and exploitation of their mineral resources, was established in pursuance of Commission resolution 205 (IX) of February 1969. In spite of several representations made to the countries in the subregion, the number of signatory States remains unchanged. The Centre is effectively receiving financial support from only three of its four member States namely, Ethiopia, Mozambique and its host country, the United Republic of Tanzania. The latter has followed the example of Nigeria and Kenya as host countries, in providing a site for the headquarters of the Centre, temporary office accommodation and a supplementary special contribution of $US120,000 towards the establishment of the Centre. Because of the meagre membership of the Centre its budget for 1978/79 was in the order of $US100,000 only and the chances of the Centre developing its full potential are very limited indeed. It is estimated that if all the potential member States were to join the Centre it would need only $US1 million each year to maintain all its physical and operational requirements and activities at full strength. The contributions by all 17 member States will range from $US9,260 for the Comoros to $US125,962 for Zambia on the basis of the formula for their contributions to OAU. It is also estimated that the Centre, when operating at full strength, would earn from its technical services to African countries some $US800,000 each year.

The African Remote Sensing Council established in pursuance of Conference of Ministers resolution 230 (XII) adopted in February 1975, did not come into being until July 1979 when the signature of the tenth signatory State required to bring the Council into being was finally obtained. Up to now, only 14 African countries, namely, Benin, Egypt, Guinea, the Ivory Coast, Kenya, Mali, the Niger, Senegal, Sierra Leone, the United Republic of Cameroon, Uganda, the United Republic of Tanzania,

the Upper Volta and Zaire have become States members of this Council. The Council is to perform the vital function of directing and co-ordinating the development of a natural resources inventory of the region by means of remote sensing, and the disappointing membership of such an important Council is bound to jeopardize its future.

A more alarming development is the fact that potential donors which promised assistance to such institutions as the East African Mineral Resources Development Centre and the Centre for Services in Surveying and Mapping at the time of their establishment now appear to want to give assistance to these Centres only if their membership is increased so as to give them a more truly subregional nature. Potential members of the Centres, it is also believed, are waiting to see how well or otherwise the Centres develop before deciding to join them. The unhealthy vicious circle thus engendered is one that applies not only to the Centres referred to in this paragraph but also to all institutions which lack substantial subregional or regional membership.

In the field of science and technology, more than in any other, the combined effort of African countries is required if their capability to assess and adapt technology is to be developed. The establishment of the African Regional Centre for Technology was proposed in the Agreed Conclusions of the Third Conference of African Ministers of Industry (Nairobi, December 1975); it was confirmed by the fourth Conference of Trade Ministers of the countries members of OAU (Algiers, November 1975), the Conference of Ministers of Education of African States (Lagos, February 1976), resolution 87 (IV) of the United Nations Conference on Trade and Development and, lastly, resolution CM/Res/513 (XXVII) of the twenty-seventh ordinary session of the OAU Council of Ministers (Mauritius, July 1976). This much-hailed regional Centre has up to the present, only 22 out of the 49 African States which constitute its potential membership. Its members are: Algeria, Benin, Burundi, the United Republic of Cameroon, Cape Verde, Egypt, Equatorial Guinea, Ethiopia, Ghana, Guinea, Kenya, Liberia, Morocco, Mauritania, Mauritius, Mozambique, the Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Somalia, the Sudan, the United Republic of Tanzania, Togo, Uganda, Zaire the United Republic of Zaire and Zambia. The African Regional Centre for Technology appeared from its establishment to have been a relatively popular Centre judging from the great enthusiasm evinced by several States to host the Centre. After a prolonged struggle on this issue, Senegal was finally chosen as the host country, the work programme and budget of the Centre were approved and persons selected to head the secretariat of the Centre and its various departments. Two years have passed since these steps were taken but it has not been possible for the secretariat of the Centre to commence operations or appoint all the selected staff because of the non-payment of contributions by member States. The enthusiasm evinced by member States over the hosting of the Centre does not seem to have been carried over to the payment of subscriptions.

The idea of creating an African Regional Organization for Stadardization open to all 49 African countries, was mooted at an UNIDO/ECA/ISO Training Workshop for African experts held in Addis Ababa in 1970. Subsequently, Conference of Ministers resolution 315 (XIII)

called upon all African countries to ratify the Constitution setting up the organization and to support it. Although 18 African countries have signed the Constitution of the organization, only seven out of the eight ratifications required to bring the organization into being have so far been deposited. At the moment, the African countries which have signed the Constitution of the organization are: Egypt, Ethiopia, Ghana, the Ivory Coast, Kenya, Liberia, the Libyan Arab Jamahirya, Malawi, Mauritius, Nigeria, Senegal, Togo, Tunisia, the Sudan, Uganda, the United Republic of Cameroon, the United Republic of Tanzania and the Upper Volta. Those which have ratified the Constitution of the organization are the following seven: Egypt, Ethiopia, Ghana, the Libyan Arab Jamahirya, Malawi, Nigeria and Senegal. As an organization which is inter alia, to promote standardization activities in Africa, elaborate regional standards and promote economic and social development, the lack of concern by African countries to become members of the organization is a source of disappointment. The fact that Ghana, which was selected originally as the host country for the organization, was not prepared to grant to the organization the facilities, immunities and privileges usually accorded to such an intergovernmental institution constituted a serious set-back to the development of the organization. A new host country is to be selected. In the meantime, temporary accommodation and secretarial support are being provided by the ECA secretariat. As an interim measure, until the organization comes into being after the obtaining of the one remaining ratifications of its Constitution, the signatory States have approved two budgets, one for the year 1978 and another for the year 1979. However, only six, Ethiopia, Kenya, Liberia, Malawi, the United Republic of Cameroon and Nigeria, out of the 18 signatory States, paid their contributions for the year 1978 and only five, Ethiopia, Kenya, Malawi, the United Republic of Cameroon and Liberia, paid their contributions for the year 1979.

One of the most important instruments for the promotion and development of the existing meagre trade among African countries, is the Association of African Trade Promotion Organizations. This organization has its origins in both Conference of Ministers resolution 247 (XI) of February 1973 and resolution 310 (XXI) of May 1973 of the OAU Council of Ministers. The 26 States Members of the organization are Algeria, Burundi, the United Republic of Cameroon, the Central African Republic, Chad, The Congo, Egypt, Ethiopia, Gabon, Ghana, Guinea-Bissau, Kenya, Liberia, the Libyan Arab Jamahirya, Mauritania, Morocco, Nigeria, Rwanda, Somalia, the Sudan, the United Republic of Tanzania, Togo, Tunisia, Uganda, the United Republic of Zaire and Swaziland. As a tool for the promotion of intra-African trade, open to all 49 ECA and OAU member States, its membership of barely half the potential number is not encouraging.

Out of the total existing membership of 26, only about one third pay their contributions towards the biennial budget of the Association. For instance, for the biennum 1975-1976, only eight member States, the United Republic of Cameroon, Egypt, Ethiopia, Ghana, the Libyan Arab Jamahirya, Morocco, Rwanda and the Sudan together paid $US160,953.06 out of a total budget for the biennum of $US439,510. This trend has persisted and had adversely affected the growth of the Association.

At the third Conference of African Ministers of Industry (Nairobi, December 1975), it was first decided that an African Regional Centre for Engineering Design and Manufacturing open to all 40 States members of ECA and OAU should be established. This was reaffirmed by the fourth Conference of African Ministers of Industry. The Centre which is expected to play a leading role in achieving an industrial breakthrough in the region is, inter alia, to assist African countries in the design of machinery, the manufacture of prototypes suitable for the industrial needs of Africa and the establishment of foundaries and forges for the production of machine parts, components or simple machinery for small-scale or rural industries. This Centre was established at Coutonou in April 1979 with its headquarters at Ibadan in Nigeria. Up to now, the actual States members of the Centre are: Algeria, Benin, Burundi, the Comoros, Egypt, Guinea, Kenya, Liberia, the Niger, Nigeria, Rwanda, Ghana, Senegal, Sierra Leone, the Sudan, Togo, the United Republic of Tanzania, Upper Volta, Zaire and Zambia. An appeal is being made to African countries which have not yet done so to become members of this important Centre.

Apart from the African Development Bank and the Association of African Central Banks, the lack of financial support in respect of intergovernmental institutions by its member States is the bane of all intergovernmental institutions established under the aegis of the ECA secretariat at the request of African Governments, and which are all to be operated principally on the basis of contributions from member States.

The African Institute for Economic Development and Planning (IDEP), one of the most prestigious institutions established by ECA as far back as 1964, has a rather large membership of African countries. Out of 49 potential member States, IDEP has 37 actual member States namely, Algeria, Benin, Burundi, the Central African Republic, Egypt, Chad, the Congo, Ethiopia, Gabon, the Gambia, Ghana, Guinea, the Ivory Coast, Kenya, Liberia, the Libya Arab Jamahirya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, the Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Somalia, the Sudan, Togo, Tunisia, Uganda, the United Republic of Cameroon, the United Republic of Tanzania, the Upper Volta, Zaire and Zambia. On the face of it, this would seem to augur well for IDEP but in fact without the generous assistance which IDEP continues to receive from UNDP, the Institute would have collapsed long ago because several member States do not pay their contributions regularly. Of the sum of $US1,906,741.97 in the approved budget for the biennium 1976-1978, only $US1,003,451.67 had been paid by the end of 1979, leaving the substantial unpaid balance at the end of 1979 for the 1976-1978 biennium of $US983,290.30. At the time of writing this paper, the amounts due from over two thirds of the members of IDEP are set out hereunder:

Country	Balance due as at 31 December 1979
Benin	12 850.93
Burundi	15 075.00
Central African Republic	45 000.00
Egypt	103 057.42
Chad	45 000.00
Congo	45 000.00
Ethiopia	55 557.07
Gabon	27 605.00
Gambia	11 250.00
Ghana	06.00
Guinea	60 000.00
Ivory Coast	64 000.00
Kenya	45 444.20
Malawi	45 000.00
Mali	1 665.00
Mauritania	9 999.01
Mauritius	30 000.00
Rwanda	15 000.00
Sierra Leone	60 000.00
Somalia	10 000.00
Sudan	96 000.00
Togo	12 962.79
Tunisia	72 000.00
Uganda	23 740.94
Upper Volta	9 550.70
Zaire	32 000.00
Zambia	45 238.00

It cannot be expected that UNDP will continue to sustain IDEP financially indefinitely partly because that would mean that UNDP resources would not be available for other urgent purposes. African Governments are therefore urged to fulfil their financial obligations to IDEP promptly so as to permit the full implementation of the work programme of IDEP and its development to meet the challenges of Africa.

There are two institutions which, although not multinational in status are multinational in the scope of their activities. These institutions are the Regional Institute for Population Studies in Accra, Ghana, and the Institut de Formation et de recherche démographiques in Yaounde in the United Republic of Cameroon. These two national institutions promote and strengthen research and training in demography and related fields. The Accra Institute provides training for students from Botswana, the United Republic of Cameroon, Egypt, Ethiopia, the Gambia, Ghana, Kenya, Lesotho, Liberia, the Libyan Arab Jamahirya, Malawi, Mauritius, Mozambique, Nigeria, Seychelles, Sierra Leone, Somalia, the Sudan, Swaziland, Uganda and the United Republic of Tanzania. The Yaounde Institute does the same in respect of the following countries: Algeria, Benin, Burundi, Chad, the United Republic of Cameroon, the Comoros, the Congo, the Ivory Coast, Djibouti, Egypt, Gabon, Guinea, the Upper Volta, Madagascar, Mali, Morocco,

Mauritius, Mauritania, the Niger, the Central African Republic, Rwanda, Senegal, Seychelles, Togo, Tunisia, and the United Republic of Zaire.

Both institutions opened their doors in 1972 but it soon became apparent that Ghana and the United Republic of Cameroon, alone could not continue to shoulder the services provided by their respective institutions, whose benefits were made available to several other African countries. Clearly these institutions which were attempting on their own to provide training and research services in the field of population for other African countries as well needed the support of such other African countries if they were to discharge the functions they had set for themselves effectively and efficiently. The conversion of these national institutions into multinational ones so as to enable African countries collectively to undertake what they would individually find too burdensome illustrates the raison d'être for the establishment of multinational institutions. In March 1979, the ECA Conference of Ministers in resolution 367 (XIV), requested the Executive Secretary of ECA to initiate negotiations with the Governments of Ghana and the United Republic of Cameroon to convert their national population institutions into multinational institutions to which other African States might become members and contribute financially. It has been decided to implement this resolution by the establishment of these multinational population institutions as subsidiary organs of ECA and, as such, by means of a resolution of the ECA Conference of Ministers ensure the membership of all the relevant States in the multinational population institutions.

The various multirational institutions cited above are chosen merely for illustrative purposes. The list is far from exhaustive, and there are several other African multinational institutions which face similar problems. Some of them, like the African Research and Training Centre in Administration for Development (CAFRAD), and the Association of African Cartographers, have been in existence for years with still no end in sight to their financial problems. There are fears that this general malaise could easily spread to the newer multinational institutions some of which are still in the process of being established, such as the Central African Mineral Resources Development Centre, and the Association of Eastern and Southern African Consultancy Organizations.

It is clear that the problems that face African multinational institutions are mainly the result of two factors, namely restricted membership which, in turn, affects the finances of the institutions, and the apparent reluctance of some member States to pay their contributions, or a combination of both. It is undeniable that, given the limited resources of African countries, institutions for collective co-operation such as those referred to in this paper are essential to the economic and social development of Africa. What is therefore required is some method of ensuring that such institutions achieve their full quota of membership and that sufficient funds are available to them to ensure their efficient and effective functioning.

As regards membership, it is suggested that, where African countries have been parties to a resolution calling for the establishment of a regional or subregional institution, they should as a matter of

course join such institutions when they are established in accordance with the relevant resolutions. Where it is desirable that an institution should be established as a subsidiary organ of ECA, then such an institution should be established by means of a resolution of the ECA Conference of Ministers thereby making African Governments virtually automatically members of the institution.

With respect to financing, provisions exist in the constitutions of various existing institutions for their executive organs to determine the contributions of member States. This means that not only would there be differing formulae for the assessment of contributions among the various institutions but also that in respect of a given member State there would be a similar and confusing number of formulae for the assessment of contributions to the various institutions. If however these executive organs were to decide that they would base their assessment on a formula to be determined by the ECA Conference of Ministers which would be applied to all institutions, a common formula would emerge which would enable a member State to have a good idea of what its lump-sum contribution would be in respect of its financial commitments to all the institutions to which it belonged. In this regard the ECA Conference of Ministers could decide what annual lump-sum should be paid by each African country in respect of all institutions; the ECA Conference of Ministers could also decide whether there should be, for instance, a biennial meeting of African countries to assess what each should pay in respect of all institutions or whether a modest tax should be levied in each African country to be used to finance all institutions. The Conference of Ministers would also decide what new institutions to be established should be included in the general framework of their decision.

The system already mentioned whereby host Governments provide financial and material assistance for the establishment of headquarters is an encouraging one but it is suggested that host Governments should be prepared to do more than that. The role of a host Government is keeping an institution alive if necessary by meeting a stated percentage of the operational costs of the institutions for several years after its establishment is vital to the progress and development of the institution and a possible alternative way of ensuring financial support for institutions. This could be made one of the conditions for giving a country the honour and privilege of hosting an intergovernmental institution.

The African Centre for Applied Research and Training in Social Development represent a step in the right direction in this regard. This Centre, which has its origins in resolution CM/Res 502 (XXXVII) of the OAU Council of Ministers, resolution 2 (II) of the second Conference of African Ministers of Social Affairs, which was endorsed by Conference of Ministers resolution 295 (XIII), was established generally to assist African Governments in the field of research and training in social development. The Centre was brought into being upon the signing of its Constitution by only 13 of the 49 African countries which are eligible for membership. These 13 countries are: Burundi, Egypt, Ghana, Kenya, the Libyan Arab Jamahirya, Mali,

Morocco, the Niger, Senegal, Sierra Leone, the Sudan, the United Republic of Cameroon and Zaire. However, the fact that the Libyan Arab Jamahirya, the host country of the Centre, has agreed to be responsible for 50 percent of the administrative cost of running the Centre means that even with only 13 member States a reasonable initial work programme and steady progress of the Centre can be assured. This state of affairs should encourage African countries which have not yet done so to join the Centre and thereby enjoy economies of scale through the expanded and improved services rendered by the Centre to African countries. The proposed budgets of the Centre for the years 1990 and 1991 are respectively, $US1,636,400 and $US1,687,400.